

Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 01855 271904Z

12

ACTION EUR-25

INFO OCT-01 IO-14 ISO-00 SWF-02 AID-20 CEA-02 CIAE-00

COME-00 EB-11 FRB-02 INR-10 NSAE-00 RSC-01 CIEP-02

SPC-03 STR-08 TRSE-00 LAB-06 SIL-01 SAM-01 OMB-01

AGR-20 DRC-01 /131 W

----- 109457

R 271832Z MAR 74

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 6626

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION GENEVA

USMISSION OECD PARIS

LIMITED OFFICIAL USE EC BRUSSELS 1855

PASS AGRICULTURE

E.O. 11652: N/A

TAGS: EAGR, EEC

SUBJECT: CAP FOR SOYBEANS

REF: (A) EC BRUSSELS 1767; (B) EC BRUSSELS 0302

1. SUMMARY. THE COUNCIL DECISION OF MARCH 23 TO
ESTABLISH A CAP FOR SOYBEANS MEANS MERELY THAT THE COUNCIL
ACCEPTED THE PRINCIPLE OF A SOYBEAN CAP. IT DOES NOT MEAN THAT
A SOYBEAN CAP AS PROPOSED BY THE COMMISSION HAS BEEN ACCEPTED.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 01855 271904Z

THE COMMISSION MUST NOW SUBMIT TO THE COUNCIL NEW PROPOSALS FOR

A CAP FOR SOYBEANS. END SUMMARY.

2. THE ACTUAL WORDING OF THE COUNCIL DECISION OF MARCH 23 READS AS FOLLOWS: QUOTE THE COUNCIL HAS DECIDED TO ADOPT THE PRINCIPLE OF SPECIAL ARRANGEMENTS FOR THE PROMOTION OF SOYA CULTIVATION, GIVING SUPPORT CORRESPONDING TO THAT REFERRED TO IN THE COMMISSION PROPOSAL UNQUOTE.

3. AUTHORITATIVE COMMISSION SOURCES HAVE TOLD US THAT THE COUNCIL DECISION MERELY IMPLIES THAT THE PRINCIPLE OF A CAP FOR SOYBEANS HAS BEEN ACCEPTED. IT DOES NOT (REPEAT NOT) MEAN THAT THE COUNCIL HAS ACCEPTED THE SPECIFIC COMMISSION PROPOSAL, AS DESCRIBED IN REF B. ACCORDING TO OUR COMMISSION SOURCE, THE COMMISSION MUST NOW SUBMIT A NEW PROPOSAL FOR A SOYBEAN CAP TO THE COUNCIL. THIS PROPOSAL COULD, BUT NEED NOT, BE IDENTICAL WITH THE ORIGINAL COMMISSION PROPOSAL. THUS, INSTEAD OF PROPOSING A DEFICIENCY PAYMENT EQUAL TO THE DIFFERENCE BETWEEN A COMMUNITY TARGET PRICE FOR SOYBEANS AND THE WORLD MARKET FOR SUCH BEANS (PROVIDED THE LATTER IS BELOW THE FORMER), THE COMMISSION COULD CONCEIVABLY PROPOSE PER HECTARE PAYMENTS OR PER TON PAYMENTS IN SUPPORT OF SOYBEANS OR OTHER FORMS OF SUPPORT IN FAVOR OF COMMUNITY SOYBEAN PRODUCTION.

4. OUR COMMISSION SOURCE TOLD US THAT A SPECIFIC COMMISSION PROPOSAL FOR SOYBEANS WILL PROBABLY NOT BE SUBMITTED TO THE COUNCIL BEFORE MAY.

5. THE COMMISSION'S INTERPRETATION OF THE COUNCIL DECISION ON SOYBEANS WAS ALSO CONFIRMED TO US BY THE UK DELEGATION. DIXON, THE AGRICULTURAL COUNSELOR OF THE UK DELEGATION, CALLED US SPONTANEOUSLY TO EXPRESS HIS REGRETS FOR THE COUNCIL ACTION ON SOYBEANS. HE TOLD US THAT THE FINAL DETAILS OF THE CAP SOYBEANS MUST AWAIT FURTHER COMMISSION AND COUNCIL ACTION. DUTCH PERM REP SOURCES INFORMED US THAT ALL MEMBER STATES EXCEPT THE FRENCH WERE AGAINST THE COUNCIL DECISION IN FAVOR OF A SOYBEAN CAP. HOWEVER, THEY COULD NOT PREVAIL SINCE THE ACTION ON SOYBEANS WAS PART AND PARECEL OF THE OVERALL COMPROMISE ON THE 1974/75 CAP PRICES, PROPOSED BY THE COMMISSION IN THE COURSE OF THE MARATHON AGMIN COUNCIL MEETING. GREENWALD LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 01855 271904Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CAP, AGRICULTURAL PRODUCTION, SOYBEANS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 27 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ECBRU01855
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740067-0078
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740312/aaaaaaktk.tel
Line Count: 107
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: (A) EC BRUSSELS 1767; (B) EC BRUSSEL, S 0302
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 01 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 APR 2002 by collinp0>; APPROVED <05 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CAP FOR SOYBEANS
TAGS: EAGR, EEC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005